

BakerHostetler

Baker & Hostetler LLP

November 3, 2020

45 Rockefeller Plaza
New York, NY 10111

T 212.589.4200
F 212.589.4201
www.bakerlaw.com

Seanna R. Brown
direct dial: 212.589.4230
sbrown@bakerlaw.com

VIA ECF AND EMAIL

Honorable Stuart M. Bernstein
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, NY 10004-1408

Re: *Picard v. Sage Associates, et al., Adv. Pro. No. 10-04362 (SMB); Picard v. Sage Realty, et al., Adv. Pro. No. 10-04400 (SMB)*

Dear Judge Bernstein:

We are counsel to Irving H. Picard, as Trustee for the substantively consolidated SIPA liquidation of Bernard L. Madoff Investment Securities LLC and the chapter 7 estate of Bernard L. Madoff, plaintiff in the above-referenced adversary proceeding.

Over the last several months, the parties have been working diligently to complete the pretrial schedule and prepare for trial before this Court. Although the parties were able to make progress on a number of fronts during the negotiations on the joint pretrial order, Defendants recently indicated that they will move the district court to withdraw the reference from this Court on the basis that Malcolm Sage, Martin Sage, and Ann Passer (the "Sages") did not file customer claims against the BLMIS estate. While the Trustee intends to oppose that motion on the grounds that this Court has jurisdiction and the concomitant adjudicative authority to enter final judgment in this case, the parties mutually agree that a stay of proceedings before this Court makes sense in light of the Sages' forthcoming motion. Once it is determined whether the Sages have a right to a jury, the parties can then tailor their pretrial filings and prepare their claims and defenses for trial accordingly.

The parties submit the enclosed proposed order on consent and ask that your Honor enter it on the docket. Should your Honor have any questions, the parties are of course available to the Court.

Respectfully submitted,

/s/ Seanna R. Brown

Seanna R. Brown
Partner

Enclosure

cc: Andrew Kratenstein, McDermott Will & Emery LLP

Atlanta Chicago Cincinnati Cleveland Columbus Costa Mesa Dallas Denver Houston
Los Angeles New York Orlando Philadelphia San Francisco Seattle Washington, DC Wilmington